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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/578,675	05/25/2000	Martin G. Kienzle	YOR9-2000-0138US1	7179
35195	7590	08/09/2006	EXAMINER	
FERENCE & ASSOCIATES 409 BROAD STREET PITTSBURGH, PA 15143			USTARIS, JOSEPH G	
			ART UNIT	PAPER NUMBER
			2623	

DATE MAILED: 08/09/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/578,675	Applicant(s) KIENZLE ET AL.	
	Examiner Joseph G. Ustaris	Art Unit 2623	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 May 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

1. This action is in response to the RCE dated 30 May 2006 in application 09/578,675. Claims 1-28 are pending. Claims 1-3, 5, 6, 8, 9, 11, 14-17, 19, 20, 22, 23, 25, and 28 are amended.

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 27 March 2006 has been entered.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-12, 15-25, and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Neel et al. (US005838314A) in view of Russo (US005619247A).

Regarding claim 1, Neel et al. (Neel) discloses an apparatus for regulating the presentation of electronic media content to a consumer (See Fig. 1, the digital video service system with interactive advertisements). The system includes an interface

arrangement (e.g. video server) which receives media content (e.g. video programs and advertisements) comprising a plurality of segments (e.g. video programs and advertisements) (See Fig. 1 and column 4 lines 20-25), wherein each segment includes cost factor data associated therewith (e.g. the movie "Little Women" is a debit bearing media that costs \$4.95 and a fifteen minute advertisements is a credit bearing media that is worth \$4.95) (See Fig. 7a). The system examines the cost factor data and attributes credit values to the plurality of segments based on the cost factor data (e.g. the system notifies the consumer that "Little Women" costs \$4.95 or can viewed for free by watching a fifteen minute advertisement) (See Figs. 7a-7b; column 4 lines 30-60). Furthermore, the system control computer and the video server together function as a regulator (See Fig. 1). However, Neel does not disclose maintaining a credit balance associated with the consumer based on the attributed values and that the regulator applies rules for presenting the media content based on the credit balance.

Russo discloses a stored program pay-per-play system. The system maintains a credit balance for the consumer based on the attributed values (e.g. the system adjusts the balance based on cost of the programs viewed by the consumer) (See column 6 lines 9-33 and column 10 lines 23-38). Furthermore, the system applies rules for presenting the media content based on the credit balance (e.g. system would block programs from being decompressed or de-scrambled when the consumer has used up their credits) (See column 10 lines 39-48). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify the system control computer and video server disclosed by Neel to maintain a credit balance

associated with the consumer based on the attributed values and that the regulator applies rules for presenting the media content based on the credit balance, as taught by Russo, in order to expand the capabilities of the system thereby providing more convenience for the consumer when the consumer wishes to view the media content.

Regarding claim 2, the system control computer would assign and notify the user of a fee or also known as "negative credit value" to view a video program or "debit-bearing content" (See Neel Fig. 7a). Furthermore, the user is able to view an interactive advertisement or "credit-bearing content," where if the user completes viewing the advertisement then the video program would be free or "positive credit value" for the user to enjoy (See Neel Fig. 7a and column 4 lines 50-60).

Regarding claim 3, Russo discloses that the system maintains credit information of the user, wherein the credit information contains the amount of credit or "balance" or history of credit abuse or "credit rating" (See Russo column 10 lines 25-45). The system would block programs from being decompressed or de-scrambled based on the credit information or "control the presentation of...media input...based on credit rating" (See Russo column 10 lines 40-50).

Regarding claim 4, the credit information contains a credit limit or "credit threshold value", where if the credit is used up the video programs or "debit-bearing content" are not decompressed or de-scrambled (See claim 3).

Regarding claim 5, the system control computer offers the user an option for the user to view an advertisement, which would make the video program free to the user or

“adjust the attributed credit value...based on the cost factor data and one additional predetermined criterion” (See Neel Fig. 7a and Russo column 5 lines 10-35).

Regarding claim 6, the system monitors the video programs and advertisements to verify if they have been viewed and adjusts the credit information accordingly (See Russo column 5 lines 10-35 and Neel column 5 lines 30-40).

Regarding claim 7, the system would charge the account or “subtract from credit balance” if the users view a video program or “debit-bearing content” and allow free viewing of the movie or “add to the credit balance” if an advertisement or “credit-bearing content” was viewed (See Russo column 5 lines 10-35 and Neel Fig. 7a and column 4 lines 50-60).

Regarding claim 8, the video programs stored within the video server include movies or “pre-recorded media content” (See Neel column 4 lines 20-25). Furthermore, the video server has a decoder (See Neel column 10 lines 40-45) and based on the credit information, which contains the “balance”, prevents de-scrambling or decoding if there is not enough credit or “decoding...pre-recorded media content...based on the credit balance” (See Russo column 10 lines 40-50).

Regarding claim 9, Neel discloses that if the user has difficulties in finishing the advertisement, a service representative or “external factor” can allow the user to view the video program or credit the user or “adjusting the credit balance” without completing the advertisement (See Neel column 14 lines 1-15; column 5 lines 64-67 and Russo column 5 lines 25-33).

Regarding claim 10, the video programs and interactive advertisements are viewed on a television or "presentation medium" (See Neel Fig. 1 element 122).

Regarding claim 11, the video server stores video programs and interactive advertisements or "a television commercial and... a portion of television show" (See Neel column 4 lines 10-30).

Regarding claim 12, Russo discloses that the record/play controller or "video server" and cable box or "system control computer" is implemented as a single unit, for instance a cable converter box or "set-top cable TV converter box" (See Russo column 3 lines 60-67).

Claim 15 contains the limitations of claim 1 (wherein the system performs the method) and is analyzed as previously discussed with respect to that claim.

Claim 16 contains the limitations of claims 2 and 15 and is analyzed as previously discussed with respect to those claims.

Claim 17 contains the limitations of claims 3 and 16 and is analyzed as previously discussed with respect to those claims.

Claim 18 contains the limitations of claims 4 and 17 and is analyzed as previously discussed with respect to those claims.

Claim 19 contains the limitations of claims 5 and 16 and is analyzed as previously discussed with respect to those claims.

Claim 20 contains the limitations of claims 6 and 16 and is analyzed as previously discussed with respect to those claims.

Claim 21 contains the limitations of claims 7 and 20 and is analyzed as previously discussed with respect to those claims.

Claim 22 contains the limitations of claims 8 and 20 and is analyzed as previously discussed with respect to those claims.

Claim 23 contains the limitations of claims 9 and 20 and is analyzed as previously discussed with respect to those claims.

Claim 24 contains the limitations of claims 10 and 15 and is analyzed as previously discussed with respect to those claims.

Claim 25 contains the limitations of claims 11 and 24 and is analyzed as previously discussed with respect to those claims.

Regarding claim 28, Official Notice is taken that it is well known to embody instructions in software for computer control. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to embody the method previously discussed in claims 1 and 15, which is disclosed by Neel in view of Russo, as instructions in software in order to automate the hardware process within any computer-based machine.

Claims 13, 14, 26, and 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Neel et al. (US005838314A) in view of Russo (US005619247A) as applied to claims 1-12, 15-25, and 28 above, and further in view of Hunter (US 20030133692A1).

Regarding claim 13, Neel in view of Russo does not disclose a feature where the presentation medium is a computer monitor.

Hunter discloses a video distribution system where the video display device or "presentation medium" is a computer monitor (See paragraph 0109). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify the system disclosed by Neel in view of Russo to display the contents of the video server and system control computer on a computer monitor, as taught by Hunter, in order to expand the functions of the system to other devices thus targeting a wider range of consumers.

Regarding claim 14, Hunter discloses that media may come from an Internet connection where inherently the media received is "internet multimedia content" (See Hunter paragraph 0080).

Claim 26 contains the limitations of claims 13 and 15 and is analyzed as previously discussed with respect to those claims.

Claim 27 contains the limitations of claims 14 and 26 and is analyzed as previously discussed with respect to those claims.

Response to Arguments

3. Applicant's arguments with respect to claims 1-28 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Joseph G. Ustaris whose telephone number is 571-272-7383. The examiner can normally be reached on M-F 7:30-5PM; Alternate Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Christopher S. Kelley can be reached on 571-272-7331. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



JGU
August 3, 2006



CHRIS KELLEY
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 2600